Postal Regulatory Commission Submitted 5/10/2021 4:16:11 PM Filing ID: 117310 Accepted 5/10/2021

### BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

FIRST-CLASS MAIL AND PERIODICALS SERVICE STANDARD CHANGES, 2021

Docket No. N2021-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE WITNESS ROBERT CINTRON TO DOUGLAS F. CARLSON'S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS DFC/USPS-T1-2-4, 7-12, and 14-15 (May 10, 2021)

The United States Postal Service hereby provides responses of Robert Cintron to the above-listed interrogatories and requests for production of documents. Each interrogatory or request for production of documents is stated verbatim and followed by the response. The Commission has granted the Postal Service's motion to be excused, in part, from interrogatory DFC/USPS-T1-15. The Postal Service incorporates herein by reference its April 21, 2021 and May 10, 2021 Applications for Non-Public Treatment with respect to non-public information filed separately in response to DFC/USPS-T1-11, 12, and 15 as USPS-LR-N2021-1-NP3.

Respectfully submitted.

UNITED STATES POSTAL SERVICE

Anthony Alverno Chief Counsel, Global Business & Service Development

Rory E. Adams

475 L'Enfant Plaza, S.W. Washington, D.C. 20260-1135 202-268-8706 rory.e.adams@usps.gov May 10, 2021

**DFC/USPS-T1-2**. Please refer to your testimony at page 9. Please provide a comparison of on-time performance between air and surface transportation from FY 2011 to FY 2018. You may provide the data on an annual basis or a quarterly basis.

### **RESPONSE:**

Data responsive to this interrogatory are only available data from FY16 and later.

| Product & Transport Mode         | External SPM Data |         |         |         |         |         |         |         |         |         |         |         |
|----------------------------------|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                  | FY16 Q1           | FY16 Q2 | FY16 Q3 | FY16 Q4 | FY17 Q1 | FY17 Q2 | FY17 Q3 | FY17 Q4 | FY18 Q1 | FY18 Q2 | FY18 Q3 | FY18 Q4 |
| 3-5 Day Presort FCM Air          | 86.22             | 87.58   | 93.50   | 93.39   | 90.57   | 90.93   | 92.73   | 91.98   | 88.96   | 87.77   | 92.51   | 92.22   |
| 3-5 Day Presort FCM Surface      | 91.24             | 92.00   | 95.65   | 95.82   | 92.53   | 93.91   | 95.70   | 94.88   | 91.77   | 90.96   | 94.95   | 94.90   |
|                                  |                   |         |         |         |         |         |         |         |         |         |         |         |
| 3-5 Day Single Piece FCM Air     | 72.45             | 75.19   | 84.55   | 85.39   | 79.21   | 80.64   | 84.90   | 83.86   | 74.94   | 73.88   | 84.22   | 82.93   |
| 3-5 Day Single Piece FCM Surface | 80.87             | 83.23   | 90.01   | 90.68   | 84.08   | 86.47   | 90.17   | 89.13   | 81.01   | 79.97   | 88.20   | 88.46   |

**DFC/USPS-T1-3**. Please refer to your testimony at page 12, lines 9–14. Please explain in detail why the schedules of commercial air carriers frequently would not allow the Postal Services [sic] to meet current service standards for mail to and from Alaska, Hawaii, and offshore territories.

### **RESPONSE:**

Commercial air carrier schedules are often largely driven by passenger demand and have varying schedules to fit their needs. The Required Delivery Time (RDT) for First-Class Mail is 07:00 day-2. Because commercial air carrier schedules are driven by passenger demand, rather than Postal Service demand for the movement of mail, commercial air carriers' schedules often would not permit the Postal Service to meet First-Class Mail's RDT. The Postal Service allocates volume to commercial carriers first, being the most cost effective; however, in April 2021, commercial carriers were able to transport approximately 38% of First-Class Mail to the offshore destinations, and only 29% from the offshore origins.

**DFC/USPS-T1-4**. Please refer to your testimony at page 16.

- a. Please explain, with reference to transportation and processing, why the Postal Service is changing the service standard to four days for First-Class Mail originating in and destined to the 995 and 996 ZIP Code area.
- b. Please explain, with reference to transportation and processing, why the Postal Service is changing the service standard to four days for First-Class Mail originating in and destined to the 995–997 ZIP Code area.
- c. Please explain, with reference to transportation and processing, why the Postal Service is changing the service standard to four days for First-Class Mail originating in and destined to the 998 and 999 ZIP Code areas.
- d. Please explain, with reference to transportation and processing, why the Postal Service is changing the service standard to four days for First-Class Mail between the 995–997 ZIP Code areas and the 998–999 ZIP Code areas.

#### RESPONSE:

- a. Turnaround volume (originating and destinating) within the SCF 995/996 will remain 2-day and the current service standard exceptions will be maintained where 5-digits are serviced by Alternate Modes of Transportation (AMOT). Much of 995 and 996 3-digit areas are not serviced by roads and depend on AMOT, which often do not run daily. Volumes from 995 and 996 are collected and transported to the Anchorage P&DC for processing, then dispatched via truck or AMOT to the offices servicing each 5-digit ZIP code.
- b. The current service standards, not accounting for the exceptions, are 3-day between SCFs in Alaska. Mail processing for 995-997 takes place in Anchorage. Some volumes from 997 are collected and flown to Anchorage directly, while others are centralized in Fairbanks 997 prior to being transported by truck to Anchorage for processing. The majority of the 997 service area is not serviced by roads and the AMOT transportation does not run daily to many of the 5-digit offices. The mail processing and transport are similar to 'a'; however, the distances are much greater.

- c. Volumes originating and destinating in 998 and 999 are transported via AMOT (water and air) to Juneau for processing, then dispatched via AMOT to the various offices servicing 998, or dispatched to the Ketchikan 999 hub to be transported via AMOT to the various offices servicing the 5-digit ZIP codes in 999.
- d. See responses to DFC/USPS-T1-4(b) and (c).

**DFC/USPS-T1-7**. Please refer to your testimony at page 18, lines 13–16.

- a. Please confirm that the changes in processing operations implemented as a result of the elimination of overnight delivery for single-piece First-Class Mail caused or exacerbated the challenges in meeting delivery standards for two-day inter-SCF First-Class Mail. If you do not confirm, please explain.
- b. Please provide the critical entry time for two-day inter-SCF First-Class Mail prior to the elimination of overnight delivery for single-piece First-Class Mail. If you cannot provide a general answer, please confirm that the critical entry time was later than 8:00 AM.

#### **RESPONSE:**

- a. Not confirmed. The two-day reach was adjusted along with processing and logistics operations. Multiple factors may have contributed to challenges.
- The critical entry time was 18:00 prior to the elimination of overnight delivery of single-piece First-Class Mail.

**DFC/USPS-T1-8**. Please refer to your testimony at pages 18–19. Please provide the actual critical entry time for each processing facility.

### **RESPONSE:**

The current critical entry time for FCM for each facility is 11:00 a.m.

**DFC/USPS-T1-9**. Please refer to your testimony at page 26, lines 6–11. Please provide examples — and all such instances if practicable — in which the Postal Service transports mail or packages by air because volume is too low for surface transportation or surface transportation would be too time consuming. In your response, please specify the class of mail involved for each instance.

### **RESPONSE:**

The premise for this question does not appear in the testimony that is cited. One example is First-Class Mail from Ft. Myers FL to Oklahoma City OK and Tulsa OK where both changed from surface to air transportation due to low volumes and the ability to eliminate a surface trip. The average volume from origin to each destination was under 300 pieces per day. The estimated volume shifted to the air network was projected to be under 30 pounds per week assigned to each destination.

**DFC/USPS-T1-10**. Please refer to your testimony at page 29, lines 23–24 and page 30, line 1. Please explain the extent to which the schedule you described does not apply to originating mail processing facilities that are located far from airports.

### **RESPONSE:**

The schedule described in the testimony is a generalization and would apply to most facilities. Trips start departing to the airfields as volume builds and the final trips are scheduled to depart in alignment with the facility clearance. Facilities farther from servicing airports may need to depart the last of their volumes somewhat earlier.

**DFC/USPS-T1-11**. Please refer to your testimony at page 29, lines 23–24 and page 30, line 1. For each processing facility listed below, please explain how First-Class Mail and Priority Mail originating at that facility connect with the air transportation network.

- a. Eureka CA
- b. Medford OR
- c. Missoula MT
- d. Great Falls MT
- e. Rapid City SD

RESPONSE: Please see the response filed under seal within USPS-LR-N2021-1-NP3.

**DFC/USPS-T1-12**. Please identify all instances in the contiguous 48 states in which the Postal Service uses air transportation between processing facilities to achieve two-day delivery for First-Class Mail.

### **RESPONSE:**

LR-N2021-1-NP3.

Please see the Excel file "NONPUBLIC DFC.T1-12.xlsx" filed under seal within USPS-

**DFC/USPS-T1-14**. Please refer to your testimony at page 35, lines 19–21. Please provide all studies, analyses, documents, and other information that participants and the Commission should consider as supporting your contention that First-Class Mail will provide adequate service to customers if the service standard is extended by one or two days.

**RESPONSE:** The Postal Service provided all studies, analyses, documents, and other information that participants and the Commission should consider with its affirmative case filings. The Postal Service will supplement its affirmative case filings in subsequent stages of this case as appropriate in accordance with 39 C.F.R. Part 3020.

**DFC/USPS-T1-15**. Please provide an overview of the air transportation network for First-Class Mail, Priority Mail, and Priority Mail Express that describes the air carriers that serve each mail class and the approximate proportion of the total volume that is allocated to each carrier.

RESPONSE: The Postal Service is responding to this interrogatory in part pending resolution of its motion to be excused from responding in part. The air transportation network for First-Class Mail consists of both cargo air carriers and commercial air carriers. For purposes of this response, cargo air carriers are identified as Cargo1, Cargo2, and Cargo3, and commercial air carriers are identified as CAIR. The Postal Service is filing a non-public chart identifying the cargo, charter, and commercial air carriers corresponding to the columns used in this response under seal in non-public Library Reference USPS-LR-N2021-1-NP3. The Postal Service does not have more particular data on volumes of First-Class Mail assigned to individual commercial air carriers.

October 2020 - assigned weight distribution

| Product | Cargo1 | Cargo2 | Cargo3 | CAIR |
|---------|--------|--------|--------|------|
| FC Mail | 45%    | 9%     | 5%     | 41%  |